

TOWN OF AMBER
June 30, 2013

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**Independent Accountant's Report
On Applying Agreed-Upon Procedures**

To the Specified Users of the Report:

Town Council, Town of Amber
Amber, Oklahoma

Trustees of the Amber Development Authority
Amber, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

Grady County Clerk
Chickasha, Oklahoma

Association of South Central Oklahoma Governments
Duncan, Oklahoma

Oklahoma Department of Commerce
Oklahoma City, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balances-Modified Cash Basis of the Town of Amber and Public Trust, Amber, Oklahoma as of June 30, 2013 and the related Budgetary Comparison Schedule of General Fund-Modified Cash Basis, Budgetary Comparison Schedule of Fire Department Fund-Modified Cash Basis, Budgetary Comparison Schedule of Law Enforcement Fund-Modified Cash Basis, Statement of Revenues, Expenses and Changes in Fund Balance of Amber Development Authority-Modified Cash Basis, and Schedule of Grant Activity-Modified Cash Basis for the fiscal year ended June 30, 2013. The financial statements have been prepared in a format and basis of accounting as prescribed by Oklahoma statutes, that demonstrates compliance with the modified cash basis and budget laws of the State of Oklahoma, which is a comprehensive basis of accounting other than generally accepted accounting principles. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the modified cash basis and budget laws of the State of Oklahoma.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis and the requirements of Oklahoma Statutes and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the modified cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Town's assets, liabilities, equity, revenues, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Additionally, we have performed the procedures enumerated below which were agreed to by the specified users of the report, as identified above, and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town and Development Trust Authority in meeting its financial accountability requirements as prescribed by Oklahoma Statutes §11-17 (105-107) and §60-180.1-.3 and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2013. Management of the Town of Amber is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements. This agreed-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Procedures and Findings

As to the **Town of Amber** as of and for the fiscal year ended June 30, 2013:

1. **Procedures Performed:** From the Town's trial balances, we prepared a schedule of changes in fund balances for each fund (see accompanying Exhibit 1) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: No exceptions were found as a result of applying the procedure.

2. **Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund and any other significant funds (any fund whose revenues, expenditures or ending fund balance exceeds 10% of the Town's total revenues, expenditures or fund balances) listing separately each federal fund (see accompanying Exhibit 2) and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

Findings: No exceptions were found as a result of applying the procedure.

3. **Procedures Performed:** We agreed the Town's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

Findings: No exceptions were found as a result of applying the procedure.

4. **Procedures Performed:** We compared the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: No exceptions were found as a result of applying the procedure.

5. **Procedures Performed:** We compared use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Condition: The Town did not transfer the required 12.5% of lot sales to Cemetery Care Fund for the year. It was short \$37.50, plus \$37.50 from the prior year, for a total of \$75.

Cause: The Town took partial payments for 2 cemetery plots and was waiting for the payments to be complete before making the required transfer.

Criteria: The Town is required to deposit 12.5% of all lot sales and internments into a Cemetery Care Fund. The principal of which can only be used on new land or capital improvements. Interest may be used for maintenance and operations.

Recommendation: The Town needs to correct the shortage in the Cemetery Care Fund. It also needs to review the lot sales periodically to ensure all transfers are completed as required.

Management's Corrective Action Plan: The Town is in the process of having the transfer approved by council and then will make the required transfer into the appropriate account.

6. **Procedures Performed:** We compared the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

Findings: No exceptions were found as a result of applying the procedure.

7. **Procedures Performed:** We compared the Town's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

Findings: Town had no contractually or debt service requirements. This procedure does not apply.

As to the **Amber Development Authority**, as of and for the fiscal year ended June 30, 2013:

1. **Procedures Performed:** From the Authority's trial balances, we prepared a schedule of revenues, expenditures and changes in fund balances for each fund (see accompanying Exhibit 3) and compared the schedule results to the applicable trust prohibitions for creating fund balance deficits to report any noted instance of noncompliance.

Findings: No exceptions were found as a result of applying the procedure.

2. **Procedures Performed:** We agreed the Authority's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

Findings: No exceptions were found as a result of applying the procedure.

3. **Procedures Performed:** We compared the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: No exceptions were found as a result of applying the procedure.

4. **Procedures Performed:** We compared the Authority's use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: No exceptions were found as a result of applying the procedure.

5. **Procedures Performed:** We compared the accounting for the Authority's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

Findings: No exceptions were found as a result of applying the procedure.

6. **Procedures Performed:** We compared the Authority's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

Findings: Authority had no contractual or debt service requirements. This procedure does not apply.

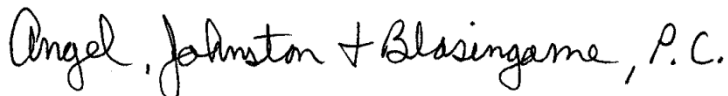
As to the **Town of Amber and Public Trust Grant Programs**, as of and for the fiscal year ended June 30, 2013:

1. **Procedures Performed:** From the Town and Authority's trial balances, we prepared a schedule of grant activity for each grant/contract (see accompanying Exhibit 4) and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement.

Findings: No exceptions were found as a result of applying the procedure.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion on the accounting records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than these specified parties.



Angel, Johnston and Blasingame, P.C.
September 9, 2013

TOWN OF AMBER AND PUBLIC TRUST
Amber, Oklahoma

SUMMARY OF CHANGES IN FUND BALANCE-MODIFIED CASH BASIS
For the Fiscal Year Ended June 30, 2013
(Unaudited)

	<u>Beginning of Year Fund Balances</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Fund Balance</u>
TOWN:				
General Fund	\$ 898,610	\$ 199,037	\$ 243,953	\$ 853,693
Street & Alley Fund	1,938	3,907	2,465	3,380
Law Enforcement Fund	177,874	169,359	151,571	195,663
Cemetery Fund	5,580	1,630	540	6,671
Cemetery Care Fund	1,550	192	-	1,742
Community Center Fund	3,362	901	-	4,262
Fire Department Fund	81,000	79,200	133,473	26,726
Town Subtotal	<u>1,169,914</u>	<u>454,225</u>	<u>532,002</u>	<u>1,092,137</u>
PUBLIC TRUST:				
Amber Development Authority	613	10,500	10,531	582
Public Trusts Subtotal	<u>613</u>	<u>10,500</u>	<u>10,531</u>	<u>582</u>
Overall Totals	<u>\$ 1,170,527</u>	<u>\$ 464,725</u>	<u>\$ 542,533</u>	<u>\$ 1,092,720</u>

TOWN OF AMBER AND PUBLIC TRUST
Amber, Oklahoma

BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS
GENERAL FUND
For the Fiscal Year Ended June 30, 2013
(Unaudited)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Beginning Budgetary Fund Balance:	\$ 898,610.04	\$ 898,610.04	\$ 898,610.04	\$ -
Charges for Services:				
Permit fees	103.50	103.50	615.00	511.50
Total Charges for Services	103.50	103.50	615.00	511.50
Intergovernmental-Local:				
Franchise tax	5,310.32	5,310.32	5,194.75	(115.57)
Police Fines	-	-	13,935.00	13,935.00
Total Intergovernmental-Local	5,310.32	5,310.32	19,129.75	13,819.43
Intergovernmental-State:				
Sales tax	71,630.25	71,630.25	78,645.14	7,014.89
Use tax	15,000.00	15,000.00	25,971.23	10,971.23
Alcohol beverage tax	2,841.95	2,841.95	2,689.92	(152.03)
Tobacco tax	1,322.47	1,322.47	1,411.47	89.00
State Grants	-	-	1,156.07	1,156.07
Total Intergovernmental-State	90,794.67	90,794.67	109,873.83	19,079.16
Miscellaneous Revenue:				
Interest	37.82	37.82	41.95	4.13
Reimbursements	-	-	5,685.32	5,685.32
Miscellaneous	1,904.26	1,904.26	28.00	(1,876.26)
Total Miscellaneous Revenue	1,942.08	1,942.08	5,755.27	3,813.19
Non-Revenue Receipts:				
Transfers from other funds	78,114.38	78,114.38	63,662.73	(14,451.65)
Amounts available for appropriation	1,074,874.99	1,074,874.99	1,097,646.62	22,771.63
Charges to Appropriations:				
Personal Services	200,000.00	200,000.00	146,470.80	53,529.20
Maintenance & Operations	200,000.00	200,000.00	41,534.34	158,465.66
Capital Outlay	200,000.00	200,000.00	45,448.00	154,552.00
Debt Service	-	-	-	-
Total Other	600,000.00	600,000.00	233,453.14	366,546.86
Other Financing Uses:				
Transfers to other funds	123,400.68	123,400.68	10,500.00	112,900.68
Total Charges to Appropriations	723,400.68	723,400.68	243,953.14	479,447.54
Unallocated (Restricted) Funds	351,474.31	351,474.31	-	351,474.31
Ending Budgetary Fund Balance	\$ -	\$ -	\$ 853,693.48	\$ 853,693.48

TOWN OF AMBER AND PUBLIC TRUST
Amber, Oklahoma

BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS
FIRE DEPARTMENT FUND
For the Fiscal Year Ended June 30, 2013
(Unaudited)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Beginning Budgetary Fund Balance:	\$ 80,989.56	\$ 80,989.56	\$ 80,999.56	\$ 10.00
Revenues	-	76,648.05	79,200.28	2,552.23
Non-Revenue Receipts:				
Transfers from other funds	-	-	-	-
Amounts available for appropriation	80,989.56	157,637.61	160,199.84	2,562.23
Charges to Appropriations:				
Personal Services	840.00	960.00	780.00	180.00
Maintenance & Operations	12,000.00	29,903.60	24,259.45	5,644.15
Capital Outlay	20,653.32	108,777.77	108,433.95	343.82
Debt Service	-	-	-	-
Total Other	33,493.32	139,641.37	133,473.40	6,167.97
Other Financing Uses:				
Transfers to other funds	-	-	-	-
Total Charges to Appropriations	33,493.32	139,641.37	133,473.40	6,167.97
Unallocated (Restricted) Funds	47,496.24	17,996.24	-	17,996.24
Ending Budgetary Fund Balance	\$ -	\$ -	\$ 26,726.44	\$ 26,726.44

TOWN OF AMBER AND PUBLIC TRUST
Amber, Oklahoma

BUDGETARY COMPARISON SCHEDULE-MODIFIED CASH BASIS
LAW ENFORCEMENT FUND
For the Fiscal Year Ended June 30, 2013
(Unaudited)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Beginning Budgetary Fund Balance:	\$ 177,874.40	\$ 177,874.40	\$ 177,874.40	\$ -
Revenues	-	150,437.04	169,359.31	18,922.27
Non-Revenue Receipts:				
Transfers from other funds	-	-	-	-
Amounts available for appropriation	177,874.40	328,311.44	347,233.71	18,922.27
Charges to Appropriations:				
Personal Services	9,000.00	10,400.00	8,782.40	1,617.60
Maintenance & Operations	24,305.04	71,342.08	38,575.38	32,766.70
Capital Outlay	15,000.00	55,000.00	40,550.40	14,449.60
Debt Service	-	-	-	-
Total Other	48,305.04	136,742.08	87,908.18	48,833.90
Other Financing Uses:				
Transfers to other funds	20,000.00	82,000.00	63,662.73	18,337.27
Total Charges to Appropriations	68,305.04	218,742.08	151,570.91	67,171.17
Unallocated (Restricted) Funds	109,569.36	109,569.36	-	109,569.36
Ending Budgetary Fund Balance	\$ -	\$ -	\$ 195,662.80	\$ 195,662.80

TOWN OF AMBER AND PUBLIC TRUST
Amber, Oklahoma

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE-MODIFIED CASH BASIS
AMBER DEVELOPMENT AUTHORITY
For the Fiscal Year Ended June 30, 2013
(Unaudited)

	Amber Development Authority
Operating Revenues:	
Miscellaneous Revenue	\$ -
Total Operating Revenue	<u>-</u>
Operating Expenses:	
Maintenance and Operations	<u>-</u>
Total Operating Expenses	<u>-</u>
Operating Income (Loss)	<u>-</u>
Non-Operating Revenues (Expenses):	
Capital outlay	(10,531)
Debt service	
Total Non-Operating Revenues (Expenses)	<u>(10,531)</u>
Net Income (Loss) Before Contributions and Transfers	(10,531)
Capital contributions	
Transfers in	10,500
Transfers out	<u>-</u>
Changes in Fund Balance	(31)
Fund Balance - beginning	<u>613</u>
Fund Balance - ending	\$ <u><u>582</u></u>

TOWN OF AMBER AND PUBLIC TRUST
Amber, Oklahoma

SCHEDULE OF GRANT ACTIVITY-MODIFIED CASH BASIS
For the Fiscal Year Ended June 30, 2013
(Unaudited)

	<u>Award Amount</u>	<u>Prior Year(s) Receipts</u>	<u>Prior Year(s) Disbursements</u>	<u>Beginning of Year Unexpended Grant Funds</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Unexpended Grant Funds</u>
TOWN:							
OK Department of Agriculture - Fire Operations	4,484	-	-	-	4,484	4,484	-
Rural Fire Matching	15,980	-	12,271	(12,271)	12,271	-	-
Association of South Central Oklahoma - 15143 CENA 13	1,020	-	-	-	566	566	-
REAP Amber-112252	30,000	-	-	-	30,000	30,000	-
Department of Commerce - 14569 CDBG 10	99,850	83,497	83,487	10	16,353	16,363	-
Town Subtotal	<u>\$ 151,334</u>	<u>\$ 83,497</u>	<u>\$ 95,758</u>	<u>\$ (12,261)</u>	<u>\$ 63,675</u>	<u>\$ 51,414</u>	<u>\$ -</u>
PUBLIC TRUST:							
No Activity in Current Year	-	-	-	-	-	-	-
Trust Subtotal	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Overall Totals	<u><u>\$ 151,334</u></u>	<u><u>\$ 83,497</u></u>	<u><u>\$ 95,758</u></u>	<u><u>\$ (12,261)</u></u>	<u><u>\$ 63,675</u></u>	<u><u>\$ 51,414</u></u>	<u><u>\$ 0</u></u>